

FILED 01 MAR '16 10:26 USDC-ORP

**UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION**

UNITED STATES OF AMERICA

3:16-CR- 94-50

v.

FELONY INFORMATION

DARREN BOTTINELLI,

18 U.S.C. § 669

Defendant.

THE UNITED STATES ATTORNEY CHARGES:

**COUNT 1
(Theft in Connection with Health Care)
(18 U.S.C. § 669)**

At all times relevant to this Information:

1. Axis Benefit Administrators, Inc. (hereinafter "Axis"), also known as AXIS Health Partners, was registered as a domestic business corporation with the Oregon Secretary of State Corporation Division with a principal place of business at 12400 SE Freeman Way, Suite 102, Portland, Oregon.
2. Defendant DARREN BOTTINELLI was the sole shareholder, officer, and director of Axis.
3. Axis provided Third Party Administrator services to client employers and employee plan participants (hereinafter "EPPs"). The primary business of Axis was to

administer the Axis FlexAccount (hereinafter “the Plan”), a Health Reimbursement Account (hereinafter “HRA”) linked to a debit card held by EPPs.

4. Axis client employers funded individual employee Axis HRA FlexAccount Plans by forwarding employee fringe benefit funds directly to Axis. These contributions typically accrued on a monthly basis.

5. The Plan reimbursed EPPs for health-related expenses such as deductibles, copayments and coinsurance payments owed by EPPs, as well as other eligible medical expenses covered by the Plan. EPPs typically used a debit card linked to their HRA Account for eligible expenses. EPPs could also file a claim for reimbursement by fax or mail.

6. Pursuant to employer client Plan adoption agreements with Axis, Axis pledged to receive employer contributions and post them to a trust account for the benefit of Axis EPPs.

7. Between May 2009 and March 2014, Axis opened and maintained three trust accounts at Wells Fargo Bank (hereinafter the “Trust Accounts”) which received employer contributions for the Plans.

8. Defendant BOTTINELLI was the primary authorized signatory to the Trust Accounts and had sole authority to transfer funds to and from the Trust Accounts.

9. Between 2009 and March 2014, defendant BOTTINELLI accessed approximately \$3,054,032.00 of HRA FlexAccount funds from the Trust Accounts for personal use and for other uses inconsistent with employer client Plan adoption agreements and the benefit of Axis EPPs.

10. The Plan qualifies as a “health care benefit program” as defined by Title 18, United States Code, Section 24(b).

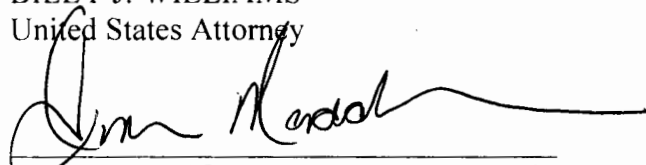
11. Beginning on or about May 2009, and continuing through or about March 30, 2014, in the District of Oregon and elsewhere, defendant BOTTINELLI, knowingly and willfully embezzled, stole, and otherwise converted without authority to his own use the moneys, funds, property and other assets of the Plan, a health care benefit program as defined in Title 18, United States Code, Section 24(b), in an amount in excess of \$100.

All in violation of Title 18, United States Code, Section 669.

Dated this 1st day of March 2016.

Respectfully submitted,

BILLY J. WILLIAMS
United States Attorney

A handwritten signature in black ink, appearing to read "Donna Maddux", is written over a horizontal line.

DONNA BRECKER MADDUX, OSB #023757
Assistant United States Attorney